United Nations A/C.5/60/SR.24

General Assembly
Sixtieth session

Official Records

Distr.: General
12 December 2005

Original: English

Fifth Committee

Summary record of the 24th meeting
Held at Headquarters, New York, on Friday, 18 November 2005, at 3 p.m.

Chairman: Mr. Ashe ..... (Antigua and Barbuda)
Acting Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Saha

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05-61055 (E)

The meeting was called to order at 3.05 p.m.

Agenda item 140: Financing of the United Nations Organization Mission in the Democratic Republic of the Congo (A/59/657; A/60/389 and A/60/536)

1. **Ms. Pollard** (Director of the Peacekeeping Financing Division) introduced the performance report on the budget of the United Nations Organization Mission in the Democratic Republic of the Congo for the period from 1 July 2003 to 30 June 2004 (A/59/657) and the report of the Secretary-General on the budget for the United Nations Organization Mission in the Democratic Republic of the Congo for the period from 1 July 2005 to 30 June 2006 (A/60/389).

2. In the performance report (A/59/657), the outputs delivered by the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) during the period under review were shown in results-based frameworks, grouped by components. Against a total appropriation of $641 million, the Mission had incurred expenditures of $636.5 million, resulting in an unencumbered balance of $4.5 million and a budget implementation rate of 99.3 per cent. That represented an improvement of 17 per cent compared with the rate for 2002/03. Key variances included a 5 per cent increase in resource requirements under military and police personnel, attributable to accelerated deployment of military contingents and civilian police; a 4.4 per cent increase under civilian personnel, reflecting a lower-than-budgeted vacancy rate and increased requirements for common staff costs; and a 7.7 per cent decrease under operational costs, owing to the deferral to 2004/05 of several airfield renovation projects.

3. Turning to the proposed budget for MONUC for the period from 1 July 2005 to 30 June 2006, she said that the planned outputs and indicators of achievement were outlined in section I of the relevant report (A/60/389). The results-based frameworks reflected a revised component structure based on the recommendations contained in the third special report of the Secretary-General on the United Nations Organization Mission in the Democratic Republic of the Congo (S/2004/650). In that document, the Secretary-General had elaborated the critical path of the transition, focusing on the most essential elements necessary to establish peace and security in the Democratic Republic of the Congo.

4. The budget amounted to $1,147,530,000, excluding budgeted voluntary contributions of $3.2 million. That represented an increase of 20.2 per cent compared with the apportionment for 2004/05. The budget provided for the deployment of 15,814 military contingent personnel, 760 military observers, 625 formed police personnel, 391 civilian police officers, 1,179 international staff, 2,225 national staff and 702 United Nations Volunteers, inclusive of 73 international staff, 274 national staff and 160 United Nations Volunteers for a six-month period in support of elections and 9 international staff and 5 national staff for the Conduct and Discipline Unit, funded under general temporary assistance.

5. Key variances included a 17.6 per cent increase in resource requirements under military and police personnel, attributable to the full deployment of the authorized strength, including the additional personnel approved by the Security Council in its resolution 1621 (2005); a 24.1 per cent increase under civilian personnel as a result of the expansion of the Mission and increased requirements for the provision of logistical support for the elections; and a 21.1 per cent increase under operational costs, due primarily to increased requirements for air operations and for the transportation of electoral materials.

6. The General Assembly was requested to decide on the treatment of the unencumbered balance for the period from 1 July 2003 to 30 June 2004, amounting to $4.6 million, and of other income/adjustments for the same period, totalling $28.3 million. It was further requested to appropriate the amount of $1,147,530,000 for the maintenance of MONUC for the 12-month period from 1 July 2005 to 30 June 2006, inclusive of the amount of $383.2 million previously approved by the General Assembly in its resolution 59/285 B.

7. Since the preparation of the budget, the Security Council, by its resolution 1635 (2005), had extended the mandate of the Mission until 30 September 2006. Consequently, an additional amount of $797.5 million would have to be assessed on Member States for the period 2005/06, based on the proposed budget. By the same resolution, the Council had authorized an increase of 300 personnel in the military strength of MONUC to provide additional security during the electoral period. Should additional resources be

required in that connection, a request for commitment authority would be submitted to the Advisory Committee on Administrative and Budgetary Questions (ACABQ). The related expenditures would be reported in the context of the performance report for MONUC for the period 2005/06.

8. As at 15 November 2005, $205.7 million had been available in the Special Account for MONUC. Given the current level of unpaid assessments — $298.2 million as at 31 October 2005, including assessments within the 30-day due period — and taking into account the likely timing of the receipt of new assessed contributions, which would not begin to be received until after the General Assembly adopted a resolution on the financing of the Mission for the period 2005/06, it was anticipated that some $25 million would have to be borrowed for MONUC from closed missions in January 2006. It would not therefore be possible to make payments to reimburse troop-contributing countries in December 2005.

9. **Mr. Saha** (Acting Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of ACABQ (A/60/536), said that the Advisory Committee recommended a reduction of $12.8 million in the proposed budget for MONUC for the period from 1 July 2005 to 30 June 2006. Most of that reduction related to delays in the deployment schedules of military and civilian personnel.

10. There had been a history of difficulties with the preparation of the MONUC budget, which, to some extent, reflected the very difficult nature of the Mission itself. The Advisory Committee had made a number of recommendations aimed at achieving a more rational organizational structure and more transparent budgeting. In that context, it took note of the Secretariat's efforts to make the budget document clearer and more concise.

11. With regard to military personnel, the Advisory Committee noted that the standard practice was for military contingents to provide for their own logistic and support capacities. The arrangements proposed for MONUC appeared to represent a departure from that practice. Indeed, a significant number of functions were to be transferred from the military to the civilian component of the Mission. Accordingly, the Advisory Committee recommended that the Department of Peacekeeping Operations should carry out a study of the matter, as it related to all missions, for submission to the relevant bodies.

12. In paragraphs 22 and 23 of its report, the Advisory Committee examined the follow-up to its earlier recommendations on contractor delivery of rations by air. In response to those recommendations, an alternate mode of delivery had been developed. The Advisory Committee trusted that the Department of Peacekeeping Operations would look into the possibility of applying that mode of delivery to other missions, where feasible.

13. Concerning civilian personnel, the Advisory Committee was disappointed at the slow pace of implementation of its recommendation for a comprehensive review of the Mission's organizational structure. There would be limited value in undertaking a detailed examination of the proposed staffing of the Mission for 2005/06 because those proposals might well be altered in the light of the findings of the review. Under the circumstances, the Advisory Committee would defer detailed recommendations on posts to its consideration of the proposed budget for MONUC for 2006/07, which should incorporate the findings of the comprehensive review. In the meantime, the Mission should continue to hire the personnel it deemed essential under the conditions set out in paragraph 28 of the Advisory Committee's report.

14. Another issue of general concern was the Joint Mission Analysis Cell (JMAC) concept. A paper on the JMAC concept was being prepared for submission to the Special Committee on Peacekeeping Operations in the near future. The Advisory Committee urged the Department of Peacekeeping Operations to complete the paper as a matter of urgency so that it could be taken into account in the preparation of proposed peacekeeping budgets for 2006/07.

15. As to operational costs, the estimate had been reduced on the basis of the revised deployment schedule. The reduction related mainly to air transportation costs.

16. Lastly, the Advisory Committee requested that, in future, requirements for staffing and other resources for MONUC offices outside the Mission area should be reflected accurately and transparently and that a clear link should be made between each of those offices and the mandate of the Mission. It also called for greater coordination between MONUC and the various

agencies, funds and programmes in the Mission area; a workplan should be developed utilizing best practices, and the plan arrived at should be implemented in a coordinated manner.

17. **Mr. Horner** (United Kingdom), speaking on behalf of the European Union; the acceding countries Bulgaria and Romania; the candidate countries Croatia and Turkey; the stabilization and association process countries Bosnia and Herzegovina, Serbia and Montenegro and the former Yugoslav Republic of Macedonia; and, in addition, Iceland, the Republic of Moldova and Ukraine, said that the European Union commended the Advisory Committee for its thorough analysis of the proposed budget for MONUC, its pertinent comments and its recommendations for savings amounting to $12.8 million. It agreed with the Advisory Committee that, in certain areas, further savings might be realized.

18. He expressed appreciation to the staff of MONUC, who worked in an extremely demanding environment, and paid tribute to the 62 troops and staff who had given their lives in the pursuit of peace. The importance of a credible, transparent election process for long-term peace and stability in the Democratic Republic of the Congo could not be overstated. In that connection, the registration of over 20 million voters was a commendable achievement.

19. The European Union recognized that the recent revisions to the Mission's mandate had made staffing requirements more difficult to forecast. At the same time, it noted that the outcome of the comprehensive review of the Mission's organizational structure would not be presented to the General Assembly until May 2006, some two years after it had been requested, and it fully agreed with the Advisory Committee that, in the meantime, any additional personnel should be hired on temporary contracts.

20. The European Union welcomed the steps taken to address the serious issue of sexual exploitation and abuse. A crucial factor in preventing misconduct was mainstreaming of gender awareness across peacekeeping missions. Senior mission staff should continue their efforts to enforce a zero-tolerance approach, and all persons responsible for sexual exploitation and abuse should be held accountable. Troop-contributing countries, for their part, must ensure that established standards were strictly applied with respect to their own troops.

21. The European Union noted with concern that coordination between MONUC and the various agencies, funds and programmes in the Mission area had often proved difficult because of their different approaches. It understood that efforts were under way to review the existing coordination structure, and would welcome an explanation from the Secretariat of what remained to be done in order to enhance workplan coordination on the ground and to develop and implement a coherent workplan. It wished to underscore that optimum use of resources was essential in a country as large as the Democratic Republic of the Congo.

22. As the Advisory Committee had stated, a clear link should be made between each office outside the Mission area and the Mission's mandate. In addition, the Secretariat should indicate what the functions of those offices were and what value they added. The information made available to the Advisory Committee in that regard should be provided to the Fifth Committee in informal consultations. The Secretariat should also clarify whether the proposed arrangements for the provision of logistic and support capacities to military contingents were in line with standard practice or constituted a change of policy.

23. The European Union welcomed the commitment by the Administration to establish an integrated training service. It trusted that that initiative would result in the adoption of a more strategic approach in terms of both the types of training offered and the resources requested for those activities. It also welcomed the new mode of delivering rations and the new approach to air services.

24. Lastly, the European Union noted with satisfaction that, should the Mission be unable to absorb the additional expenses arising from the increase in military strength approved in Security Council resolution 1635 (2005), the Secretary-General would seek commitment authority instead of referring the matter to the General Assembly.

25. **Ms. Udo** (Nigeria), speaking on behalf of the Group of African States, commended the peoples of the Democratic Republic of the Congo for their clear determination to move forward. The preparations for the holding of elections were worthy of note, and every effort should be made to provide adequate support to that process.

26. MONUC had a vital role to play in bringing peace and stability to the Democratic Republic of the Congo and the subregion. It could fulfil its mandate only with the tangible support of all Member States. The African Union, too, made an important contribution. The determination of African Heads of State to tackle crises on the African continent was clearly enunciated in the New Partnership for Africa's Development (NEPAD) and was an essential element for the attainment of workable solutions. In that regard, the Group welcomed the commitment shown by the Government of the Democratic Republic of the Congo to promoting good governance and transparent economic management, both of which were key elements of NEPAD.

27. Much remained to be done if the gains already made in the Democratic Republic of the Congo were to be secured and sustained, and MONUC must therefore be provided with the resources necessary for the full discharge of its mandate. The revised component structure would facilitate the Mission's activities and enable it to work more effectively with transitional leaders and international partners. In order for the electoral process to move forward, security must be re-established throughout the vast territory of the Democratic Republic of the Congo, border control mechanisms must be put in place and the necessary legislative framework must be developed.

28. The Secretary-General had taken those crucial elements into consideration in preparing the proposed budget for the Mission for 2005/06. The Group wished to commend the considerable efforts made to improve the budget presentation and the use of results-based frameworks. However, it would welcome an assurance that the adjustments already made to the estimated requirements in order to reflect actual deployment and incumbency rates would not adversely affect the Mission's ability to discharge its mandate, especially in the light of the increase in the Mission's military strength authorized by the Security Council in its resolution 1635 (2005). Moreover, the Secretariat should elaborate on the arrangements being made for the provision of logistic and support capacities to troops, including the expansion of the regional hub in Entebbe, Uganda, and should indicate what steps it was taking to fill vacancies in MONUC. The Mission had experienced high attrition rates and difficulties in attracting staff, and the recruitment of staff on temporary contracts, as recommended by the Advisory Committee, would only exacerbate that situation. The proposed conversion of 395 interpreter/translator individual contractor positions to national General Service posts could help to reduce the high vacancy rates in the Mission. It was therefore not clear to the Group why the Advisory Committee had recommended against the proposal, particularly since the General Assembly had already approved such conversions in other peacekeeping missions.

29. The Group welcomed the increased use of national staff in MONUC, which contributed to capacity-building and to the transfer of know-how. However, it wished to know why the average grade level of Congolese staff had been budgeted at G-2, step 1, and what the budgeted level was in other peacekeeping missions. Also, the Advisory Committee should explain how it had concluded that there was sufficient capacity to redeploy existing staff to cover the surge of activities during the electoral phase, particularly in the area of public information. It should have awaited the outcome of the comprehensive review of the Mission's organizational structure before making such a recommendation. Furthermore, the strategic role of public information in other areas of the Mission's mandate should have been taken into account. Lastly, the Advisory Committee should explain its recommendation that a phased approach should be taken to the deployment of personnel in support of the elections, given that the elections would take place within six months.

30. The Group noted with satisfaction the steps taken by the Mission to ensure more cost-effective delivery of rations, including the use of road transport. Contingency plans should be made so as to avoid any disruption of deliveries. The Group also welcomed the airfield renovation projects being undertaken and trusted that they would be speedily completed. It commended the Mission for having achieved savings through the revision of air services contracts. The strengthening of the capacity of the airport at Entebbe, Uganda, which was readily accessible overland from several major seaports, would contribute to the smoother operation of other peacekeeping missions in the region.

31. The Group welcomed the Mission's efforts to investigate and deal with instances of sexual exploitation and abuse and the preventive measures put in place.

32. **Ms. Lock** (South Africa) said that the transitional Government had made significant strides in implementing the terms of the peace agreement and that the United Nations had intensified its activities to support the Congolese people in their preparations for the referendum to be held in December 2005 and the presidential and legislative elections to be held in early 2006. The budget proposal before the Committee, contained in document A/60/389, reflected the resources required by the Mission in order to respond to its revised mandate and to the condensed time lines for the elections.

33. Changing needs on the ground had necessitated a continuous revision of military operations and other substantive components of the Mission's mandate, leading to the necessary revision of its logistical and administrative-support components. MONUC required some stability in the staffing of its civilian component, and her delegation would have welcomed a recommendation by the Advisory Committee to establish the posts requested in the budget proposal. The Secretary-General had recently reaffirmed that staff shortages were restricting the Mission's capacity to support the multiple demands of the electoral process and robust military operations in the eastern part of the country.

34. Her delegation therefore believed that MONUC should complete the review of its structures as a matter of urgency, but remained to be convinced by the Advisory Committee's proposal, contained in its report (A/60/536), that personnel should be appointed on temporary contracts. In view of the enormous challenges facing the transitional Government and the United Nations in reaching all eligible voters, her delegation was also unconvinced by the Advisory Committee's observation that election personnel should be hired in stages. Moreover, her delegation was concerned at the Advisory Committee's view that the Mission's public information needs could be met through the redeployment of current capacity. The Mission's public information activities played a crucial role in ensuring that the electoral and political processes were well understood by the population and all political parties, and were crucial for the implementation of the other components of its mandate.

35. With respect to the Advisory Committee's recommendation, contained in paragraph 34 of its report, that the planned conversion of 395 interpreter/translator individual contractor positions to national General Service posts should not go forward, the Committee should recognize that interpreters and translators played an important role in supporting the Mission's civilian and military components, and the posts should be converted, in accordance with the Secretary-General's request. In that regard, her delegation did not see why the General Assembly should deviate from its previously stated position on the matter, as expressed in its resolution 59/296.

36. **Mr. Mumbey-Wafula** (Uganda) said that security and a stable political climate in the Democratic Republic of the Congo were of paramount importance to Uganda. However, as negative forces continued to operate in the country's eastern regions, the associated security problems must be firmly and decisively resolved. Uganda therefore welcomed the full deployment of troops and civilian police in the eastern regions, as provided for in the budget proposal, with a view to eliminating all negative forces and restoring security. All delegations must make a full commitment to ensuring the appropriation of resources commensurate with the Mission's hugely complex task.

37. Uganda therefore supported the Secretary-General's request for $1,147,530,000 and would give objective consideration to the Advisory Committee's proposal to reduce that amount to $1,134,737,300, in the light of the current situation on the ground. To enable MONUC to achieve its various objectives, the Secretary-General should implement the revised component structure, which reflected a shift of focus towards peace and security. His delegation would endeavour to reconcile the Mission's needs with the recommendations of the Secretary-General and the Advisory Committee.

38. Although the emphasis on the implementation of Security Council resolution 1565 (2004) was welcome, the situation on the ground had shown that the Mission lacked the troops, civilian police and resources it needed in order to have the desired impact. More resources would therefore be required in the near future, but in the meantime his delegation wished to know how the Mission planned to ensure safety and security in the country as a whole within the allocated resources, and whether any constraints were anticipated during and after the electoral process.

39. His delegation welcomed the use, development and expansion of the Entebbe logistics base and would

provide all the necessary support in the interest of the efficient use of resources. In that regard, the projected procurement savings were a welcome step in the right direction. The expanded logistics base would continue to be available to MONUC, the United Nations Mission in the Sudan (UNMIS), the United Nations Operation in Burundi (ONUB) and the United Nations Mission in Ethiopia and Eritrea (UNMEE) on a common-use basis.

40. Uganda supported the funding of quick-impact projects because they provided the critical mass necessary in the early stages of the peacemaking and peacebuilding processes. With respect to the high vacancy rate within MONUC, he asked how the Mission planned to address the problem and whether the situation was affecting the Mission's performance. Although the proposed 15-per-cent increase in the MONUC budget was intended to reflect the Mission's additional mandates, it was still far from adequate.

41. **Ms. Attwooll** (United States of America) said that her delegation wished to thank the Mission for the considerable improvement in the presentation of its budget and for the additional information provided concerning its response to the recommendations of the Advisory Committee, which in some cases had led to greater economies and improved delivery of services. However, her delegation was very disappointed to note that the review of the Mission structure, which had been repeatedly requested by the Advisory Committee, had not been completed in time for inclusion in the budget proposal.

42. Although the budget proposal reflected a commendable effort to link new posts to the Mission's revised mandate, it did not indicate whether or how existing capacities had been taken into consideration, and gave the impression that new posts were being "layered on" without any reprioritization of existing posts.

43. In view of the prominent role played by the United Nations Development Programme (UNDP) in supporting elections, her delegation would welcome information on its relationship with MONUC in that area, together with more details on the provision of logistical support for the elections and on how that support would be provided within such a short time frame.

44. She asked why support for the Western Brigade and the newly deployed Eastern Brigades would be provided by civilian personnel, and requested information on the financial and operational implications of such an approach. She also asked what efforts were being made to utilize and build local capacity to support contingents in remote areas, and would welcome an update on progress made within the Mission to address the issue of sexual exploitation and abuse.

45. **Mr. Kozaki** (Japan) said that, while the format of the MONUC budget had been improved in response to ACABQ recommendations, the budget itself had been submitted late, delaying efforts to strengthen the Mission's management. His delegation was bewildered as to why the Secretariat had hired outside consultants to perform a comprehensive review of the structure of the Mission as late as mid-October 2005.

46. The delegation of Japan reiterated the opinion, already expressed during discussion of the Mission in March 2005, that existing as well as additional resources must be fully justified. It had made clear its disappointment with the revised budget proposals for 2004/05 and with the approval of commitment authority, with assessment, in May 2005. Because the Advisory Committee's recommendation for a comprehensive review of the Mission's structure had remained unimplemented, the review had not been reflected in the proposed budget for 2005/06, and the Advisory Committee had been forced to defer consideration of the proposed posts until budget proposals for 2006/07 were discussed. As a result, the Committee must once again consider the large MONUC budget without the benefit of a review of the Mission's organizational and post structure.

47. The priorities of the Mission should determine resource management, with existing staff being reassigned to meet those priorities. More staff had been allocated to the Office of Public Information in view of the forthcoming election, but, as the election was likely to be completed by the end of June 2006, the Office's staffing level must be reviewed in advance of the budget for 2006/07. Conversion of translators' and interpreters' contracts should be approached with caution, as demand for such staff would diminish after the election. It was generally inappropriate for the Secretariat to hire people as individual contractors and then convert their positions into posts by claiming their work as a core activity.

48. His delegation would like more information about existing practice and future plans in the field of coordination between MONUC and United Nations agencies, funds and programmes. A work plan should be developed to enhance such coordination.

49. **Ms. Samayoa-Recari** (Guatemala) said that her delegation wished to associate itself with the statement made by the representative of Nigeria on behalf of the Group of African States, and also wished to express its concern that reimbursements would not be made to MONUC troop- and equipment-contributing countries in December 2005, as well as its hope that the situation would be resolved in the near future.

50. **Mr. Prato** (Uruguay) said that Uruguay had always been fully committed to the important work of United Nations peacekeeping operations. It had contributed 1,750 peacekeepers to the operation in the Democratic Republic of the Congo and had thus been able to observe the peace process at close range. Uruguay remained concerned at the security situation, particularly in the country's eastern regions, and at the potential impact of that situation on the upcoming elections.

51. The report of the Advisory Committee appeared to indicate a positive response to the Secretary-General's request for additional resources, while remaining cautious with regard to the management-related aspects. In the view of his delegation, it would not be possible to strengthen the peace process and hold elections without an adequate level of resources. His delegation therefore urged Member States to support MONUC at the most crucial phase of its operations, in order to give the Congolese people the chance to begin their long-delayed journey towards development.

52. **Mr. Kisswany** (Syrian Arab Republic) said that his delegation wished to associate itself with the statement made by the representative of Nigeria on behalf of the Group of African States and to express its support for the key role played by the Group on the African continent. The Syrian Arab Republic had noted the Advisory Committee's recommendation that the proposed budget for MONUC should be reduced, and wished to explore the potential impact of the recommended reduction on the fulfilment of the Mission's mandate. The conflict in the Democratic Republic of the Congo was the oldest conflict on the continent, and should therefore receive the highest priority. Ending the conflict would have a positive effect on other ongoing conflicts in Africa.

53. **Mr. Sach** (Controller) said he wished to re-emphasize that contributions were not being made to MONUC on a timely basis and that it was the only large peacekeeping mission with respect to which it would not be possible to make reimbursements in December 2005. He therefore urged Member States to make their contributions in as timely a manner as possible so that the situation could be rectified.

Agenda item 123: Programme budget for the biennium 2004-2005 (*continued*)

Agenda item 124: Proposed programme budget for the biennium 2006-2007 (*continued*)

Administrative expenses of the United Nations Joint Staff Pension Fund (*continued*)
(A/60/7/Add.7 and A/60/183)

54. **Mr. Repasch** (United States of America) said that the United Nations Joint Staff Pension Fund must be given the resources it needed in order to work effectively, but must also be administered efficiently so as to retain the confidence of the participating organizations and Member States which provided the resources that the Fund invested. His delegation was pleased that the Fund's value had increased substantially and that actuarial valuations had shown surpluses since 1997. However, as the number of staff members retiring and beginning to draw benefits increased, along with membership of the Fund (which stood at about 85,000, compared with about 80,000 two years previously), more growth would be needed to cope with future obligations.

55. The United States delegation agreed with the conclusion of the working group set up by the United Nations Joint Staff Pension Board's Standing Committee that the Fund's budget proposals must make a clearer distinction between recurrent and non-recurrent costs. It also agreed with the Standing Committee that the budget of the Fund must be based on the resources it needed to achieve its objectives. To that end, the Fund must refine its indicators of achievement and monitor progress towards targets, just as other parts of the Organization did.

56. While endorsing the Advisory Committee's recommendations on the Fund's staffing, the United

States would like clarification of those regarding the reclassification of staff in the Investment Management Service. Furthermore, it wondered whether, in the Secretariat's view, such action would help to reduce the fragmentation of the important functions of that Service. If so, his delegation favoured early implementation of the proposed reclassification, mindful of the Fifth Committee's desire to correct the many problems which the Office of Internal Oversight Services (OIOS) had reported in its earlier audit of the Investment Management Service.

57. The United States delegation wondered whether the lower estimated cost of external audits by the Board of Auditors reflected reduced audit coverage or better audit efficiency. With regard to internal audit coverage, it would like to know whether OIOS had hired individuals with the skills needed to examine the highly complex operations of the Fund.

58. He asked why the General Assembly was being requested to authorize supplementary funding of up to $200,000 for the Emergency Fund in 2006-2007, as, in recent budget periods, the amounts drawn from that Fund had been considerably smaller. He also asked for information on the level of voluntary contributions to the Emergency Fund.

59. With regard to the revised budget estimates for 2004-2005, he understood that small capitalization portfolio management fees — which had increased substantially — were determined by the market value of the funds managed, but wondered if there were better ways to predict them.

60. Turning to the follow-up of past requests of the General Assembly, the United States delegation would like details on the progress made towards setting up an audit committee to provide expert advice and guidance, and urged the Pension Board to act rapidly on that matter. It also looked forward to a speedy response to the General Assembly's 2002 request that the Pension Board should study ways of making the representation of the Fund's member organizations on the Board more equitable.

Agenda item 124: Proposed programme budget for the biennium 2006-2007 (*continued*)

Possibility of operating guided tours, bookstores and gift shops at the United Nations Office at Nairobi and the cost implications thereof (*continued*) (A/59/793; A/60/7 and Corr.1)

61. **Mr. Belov** (Office of Programme Planning, Budget and Accounts), recalling that the representative of Nigeria, at the Committee's twenty-third meeting, had asked whether the Secretariat had considered the educational value of guided tours at the United Nations Office at Nairobi, said that the feasibility study conducted by that office had indeed taken account of that factor.

62. The Secretary-General, in paragraph 6 of his report (A/59/793), had enumerated the conditions which would prevent tours from being operated effectively and efficiently. The effectiveness of tours depended on the amount of cultural and historical information available at the site in question and on the site's location in the host city, while their efficiency depended on having a critical mass of tourists in the host city. The visual appeal of the Nairobi complex was limited by its small collection of artefacts, while its relatively remote location and current security situation prevented walk-in visits. Under those circumstances, the Secretary-General had recommended against investing funds in guided tours at the United Nations Office at Nairobi.

63. **Ms. Udo** (Nigeria), speaking on behalf of the Group of African States, requested written clarification of how the feasibility study referred to in the report of the Secretary-General had been conducted. She asked why the small collection of artefacts at the Nairobi complex had been considered an obstacle to guided tours, particularly as more artefacts could be donated, and wondered what provisions for aesthetic improvements had been made in the current building plans for the site. She also asked why it was assumed that visitor numbers would be low, and requested recent statistics and cost estimates for the provision of visitor services. She wondered what public outreach activities were to be conducted in place of guided tours, how the Secretariat had quantified the educational benefits derived from visitors and what value had been accorded to those benefits in the feasibility study. She was anxious to find out when the Secretariat intended to implement the General

Assembly's request that all United Nations offices should be treated equally.

64. The United Nations Office at Nairobi was a unique institution in Africa, and had a growing role to play in the follow-up to the World Summit on Sustainable Development and in the New Partnership for Africa's Development. She asked how much weight had been given to the consideration that, while most Africans could not travel to New York to see the Organization's Headquarters, they could realistically hope to visit Nairobi. She was unaware of any decision of the General Assembly calling for the Organization to operate strictly for profit.

65. **Mr. Amolo** (Kenya) said that he had found some of the Secretariat's conclusions regarding visitor services at Nairobi casual and even flippant. He asked why it had been decided to place the gift shop outside the security perimeter of the complex; it should be within the unique environment of the United Nations, in keeping with the practice at other United Nations offices. He wondered who the architect of the new building was, and whether local cultural elements would be incorporated into its design. As he was very familiar with the area around the Nairobi site, he wished to dispute the assertion that it lacked the landmark features of its counterparts in New York and Geneva, recalling the Secretary-General's own comment that it was in a beautiful location.

66. Similarly, the observation that the collection of artefacts at the Nairobi complex was too small to make the site attractive to visitors must be examined. Experience showed that such collections were not accumulated overnight. He also wondered what action was being taken to make the site attractive to visitors from the local area. Recalling the positive discussions with the Under-Secretary-General for Safety and Security regarding the Nairobi site, he asked why security had become such an issue. He agreed with the representative of Nigeria that some of the benefits of guided tours could not and should not be quantified in financial terms; their impact on the lives and knowledge of individuals was more important.

67. **Ms. Lock** (South Africa) said that, as the Nairobi complex was the only United Nations office of its kind in Africa or, indeed, in the developing world, the Secretariat must find ways to implement the decisions of the General Assembly there, rather than finding reasons not to implement them. She asked what steps the Secretariat had taken at other United Nations offices to publicize guided tours, as she assumed that knowledge of visitor facilities had not been widespread when they had first been established. Recalling that the General Assembly had agreed to provide for additional security measures on the understanding that, given the unique nature of the Organization, they should not stand in the way of public access, she wondered how that view had been taken into account at the Nairobi facility.

68. **Ms. Udo** (Nigeria), recalling her question at the previous meeting, wished to know whether the Advisory Committee had received additional information from the Secretariat to use as a basis for its conclusions.

69. **Mr. Saha** (Acting Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he had believed the Committee was already familiar with the information which the Advisory Committee had received. However, if that information had not been circulated, he would provide it.

The meeting rose at 4.45 p.m.